
Local Government Committee

HB 2900

Brief Description: Regarding the issuance of checks by joint operating agencies.

Sponsors: Representative B. Sullivan.

Brief Summary of Bill
<ul style="list-style-type: none">Allows a joint operating agency to pay claims and other obligations by check or warrant, provided the applicable fund is solvent at the time payment is ordered.

Hearing Date:

Staff: Stephanie Toby (786-7106).

Background:

Public utility districts (PUDs) are nonprofit, community-owned and governed utilities that provide electricity, water, wholesale telecommunications and sewer service to localities across the state.

In 1953, the Legislature enacted legislation allowing any two or more cities or PUDs, or combinations of them, to form municipal corporations called joint operating agencies (JOAs). These JOAs have many stipulated powers, including the power to generate, produce, transmit, deliver, exchange, purchase, or sell electric energy and to enter into contracts for any or all such purposes, among other authorities granted in statute. Additionally, JOAs may acquire, construct, operate and own plants, systems, and other facilities and extensions thereof, to generate and/or transmit electric energy and power. Joint Operating Agencies are governed by two boards: a board of directors, and an executive board. The board of directors manages and controls the JOA. The construction, operation, termination, and decommissioning of a nuclear power plant is generally managed by the executive board.

Energy Northwest, formerly known as Washington Public Power Supply System, is headquartered in the city of Richland and is the only JOA in Washington.

Summary of Bill:

A joint operating agency's board of directors (board) is given the authority to adopt a policy for the payment of claims or other obligations. If the applicable fund is solvent at the time payment is ordered, payment may be made by check or warrant. If the fund is not solvent, a warrant must be used as payment. The board must designate the public depository upon which to draw checks as

well as the officers required or authorized to sign checks. The term "warrant" includes checks where allowed by these provisions.

The auditor may issue, and the treasurer may distribute, checks in addition to warrants.

References to board positions are made gender neutral.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.